


**ASSOCIATION of
GOVERNMENTS**
Main Office

818 West Seventh Street
12th Floor

Los Angeles, California

90017-3435

t (213) 236-1800

f (213) 236-1825

www.scag.ca.gov

Officers

President

Greg Pettis, Cathedral City

First Vice President

Carl Morehouse, San Buenaventura

Second Vice President

Cheryl Viegas-Walker, El Centro

Immediate Past President

Glen Becerra, Simi Valley

**Executive/Administration
Committee Chair**

Greg Pettis, Cathedral City

Policy Committee Chairs

Community, Economic and
Human Development
Margaret Finlay, Duarte

Energy & Environment

James Johnson, Long Beach

Transportation

Keith Millhouse, Ventura County
Transportation Commission

April 28, 2014

Mary Nichols, Chairman
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Subject: Comments on Proposed Update to AB 32 Scoping Plan

Dear Chairman Nichols:

The Southern California Association of Governments (SCAG) appreciates the opportunity to comment on the proposed update to the AB 32 Scoping Plan ("Update"). We applaud ARB's leadership in pursuing integrated planning to achieve multiple priorities while meeting the State's regulatory requirements and goals associated with climate change.

Our main comments, included in the attached, are:

- As previously communicated to the ARB Board by the Executive Directors of the four large MPOs, due to the long lead time it takes to implement and see results of major components of an SCS, the initial SB 375 regional GHG targets should be maintained through the second round of SCS development for these MPOs;
- Any potential state-wide mid-term target needs to be fully informed by science; any sector-specific targets should be carefully considered through a comprehensive, stakeholder driven process. Since ARB will complete a separate, independent technical review that will inform the need for the appropriate timing of revisions to the SB 375 regional targets, the potential for setting mid-term AB 32 targets should not affect the process of updating SB 375 regional targets;
- Any effort to evaluate the feasibility of metrics that "could be used to set targets, prioritize funding, evaluate projects, evaluate programs, and gauge performance..." for the state's freight system must be a collaborative initiative, working with Caltrans and other public and private industry stakeholders to ensure integrated planning with mutually agreed upon objectives for an efficient freight transportation system;
- To achieve the State's vision for the land use and transportation infrastructure sector, significantly greater resources (e.g., funding, data, analytical tools, regulatory modernization etc.) are necessary.

SCAG appreciates the acknowledgement in the Update of the critical role of regional planning agencies, transportation agencies, and local governments to address climate change, and the substantial efforts made to date on the planning and implementation of sustainable communities. We look forward to continued collaboration with ARB to simultaneously stimulate economic growth and support environmental priorities throughout the State and especially in Southern California.

Sincerely,


Hasan Ikhrata

Executive Director

**SCAG Comments on Proposed AB 32 Scoping Plan Update
April 28, 2014**

Planning for 2050 GHG Goals - "A key step needed to build on California's framework for climate action is to establish a mid-term statewide emission reduction target ... A mid-term target, informed by climate science, will be critical in helping to frame the additional suite of policy measures, regulations, planning efforts, and investments in clean technologies that are needed to continue driving down emissions. It will also send a clear signal that California is solidifying its commitment to a low-carbon future, giving businesses the long-term certainty they need to plan for the future ... Each of the major sectors highlighted in this Plan must play a role in supporting the statewide effort to continue reducing emissions. As steps are taken to develop a statewide target, sector targets will also be developed that reflect the opportunities for reductions that can be achieved through existing and new actions, policies, regulations and investments." (Scoping Plan Update (SPU), p. ES-5)

Comment: *The original Scoping Plan included strategies to achieve the statewide 2020 GHG target set by AB 32, while the proposed Update includes a vision to achieve the State's 2050 objective of reducing emissions to 80 percent below 1990 levels, as reflected in Executive Order S-3-05 and Executive Order B-16-2012 (which is specific to the transportation sector). Included is a recommendation for mid-term statewide and sector targets relative to the 2050 goals. It is acknowledged that if a statewide mid-term target is established that ARB intends to develop a technically accurate target based on the latest science. In addition, it is critical that any sector-specific targets be carefully considered through a comprehensive, stakeholder driven process. We look forward to working closely with ARB on this important new proposal. We also note that ARB will complete a separate independent technical review that will inform the need for the appropriate timing of revisions to the SB 375 regional targets, such that the potential for setting mid-term AB 32 targets should not affect the process of updating SB 375 regional targets.*

Recommended 5-Year Policy Priorities - With the long timeframes necessary to realize the full benefits from many of the strategies ..., it is critical to start planning and implementing as soon as possible in order to put the State on the trajectory for reaching the 2032 air quality and 2050 climate change goals. (SPU Transportation Focus Group Working Paper (FGWP), p. 31)

Comment: *We appreciate that listed as a near-term priority is: "Support regional and local implementation of SCSs by providing access to financial resources and incentives that are necessary to achieve the GHG reduction targets." This reaffirms the findings of the ARB Board when adopting the regional SB 375 GHG targets that "Regional and local governments need supportive action from the state and federal governments including commitment of financial and other resources and incentives" (Resolution 10-31, 9/23/2010). As discussed throughout this comment letter, resources (data, tools, funding, regulatory modernization, and other incentives) are critical to achieve the presumed GHG and co-benefits of SCS planning and implementation. A specific, near-term, resource allocation plan should be developed to provide assurance and continuity to the on-going efforts being made by regional agencies and local jurisdictions which are planning and implementing various SCS strategies. Significant resource gaps have been identified during the first SCS cycle for time critical planning and implementation of first/last mile strategies, active transportation, complete streets, sidewalk repair and maintenance, expanded transit, affordable housing development, building retrofits, etc. This confirms the findings of the ARB Board that "Successful implementation of the Proposed Targets will require resources for land use and transportation planning, provision of transit and other transportation options, and development of infrastructure necessary for sustainable community development" (Resolution 10-31, 9/23/2010).*

Incentive Based Approach – “Designing and implementing measures to support sustainable communities and a transition to a sustainable transportation sector will require significant public and private investment, sustained financial and non-financial incentives, and strong partnerships and coordination at the local, regional, State, and national levels.” (SPU FGWP, p. 2)

***Comment:** Success of a transformational program is predicated on incentive based stakeholder driven process. We reaffirm our position that incentives (e.g., funding, CEQA modernization, etc.) for local and regional agencies/governments are crucial to progress beyond the business as usual approach to planning and developing the local and regional urban form.*

Public/Private Collaboration – “Many individual jurisdictions understand the value of coordinating at a regional and corridor level and are participating in joint procurements, grant applications, technology strategies, and policy implementation ...The State recognizes the need to support and build on these efforts to ensure long term GHG emission reduction targets are met while also achieving the State’s planning priorities. Furthermore, outreach and collaboration with businesses will be a necessary component of strategies moving forward to understand the challenges with respect to logistics, fleet operations, location, and economic development.” (SPU Transportation FGWP, p. 5)

***Comment:** To achieve the State’s goals requires an alignment of planning priorities and strategies at all levels of government. The State should take enhanced steps to educate the shared benefits of their planning priorities to other government entities and private stakeholders, and provide the tools and resources to local and regional governments needed to facilitate reaching a shared vision of sustainability. Also, as acknowledged by the ARB, the private sector is a critical partner to the success to both the planning and implementation of these strategies such that and their input is integral to the Scoping Plan Update process.*

Regional Planning – “ARB will complete a technical review that will inform the need for an appropriate timing of revisions to the SB 375 regional targets established in 2010.” (SPU Transportation FGWP, p. 31)

***Comment:** As previously communicated to the ARB Board at its January 23, 2014 meeting by the Executive Directors of the four large MPOs, due to the long lead time it takes to implement and see results of major components of an SCS, the initial SB 375 regional GHG targets should be maintained through the second round of SCS development for these MPOs.*

SCS Funding/Incentives – “The SGC manages this local assistance grant program to fund cities, counties, and regions that conduct sustainable community planning, including transit-oriented development, with the requirement that the funded activities will lead to reduced GHG emissions ...The Governor’s proposed Fiscal Year 2014-15 Budget allocates up to \$100 million to support SB 375 implementation Funding of Infill and Transit Oriented Development Projects...HCD awards competitive low interest loans and grants to finance infill infrastructure grants, affordable housing, and TOD. These include higher density mixed use and mixed income housing developments and infrastructure supporting transit use, e.g. bike and pedestrian improvements.” (SPU Transportation FGWP, p. 14, 16)

***Comment:** As has been articulated and demonstrated since passage of SB 375, progress in achieving the State’s long-term sustainability goals is predicated on having the necessary resources to plan and implement such far-reaching plans. We commend the State for their efforts to provide resources through various programs such as grant programs from SCG, ARB, HCD, CEC, PUC, etc., and look forward to continued collaboration to direct funds to a broad range of effective planning and implementation programs. When considering the scope of the effort needed to achieve the State’s vision for the land use and transportation infrastructure sector, however, it can be readily surmised*

that significantly greater resources (e.g., funding, data, analytical tools, regulatory modernization etc.) are necessary. The Cap and Trade program is anticipated to be an expeditious and consistent source of revenue, and we look forward to working with ARB and the Administration to effectively manage and leverage these funds. In the first six years of the approved 2012-2035 SCAG RTP/SCS there is \$37.6 Billion worth of GHG reducing projects, clearly illustrating the overwhelming regional need for funding to accelerate implementation of these projects and accelerating the reduction of GHG emissions for the States most impacted air quality region. Additionally, SCAG believes the Strategic Growth Council plays a critical role in establishing the policies, standards, criteria and procedures for directing resources to regions equitably and providing a framework for local governments to deliver integrated land use and infrastructure projects. Regional agencies like the MPOs, local agencies and the county transportation commissions have the unique capacity to concurrently plan for and administer these types of multiple community projects, which would accelerate GHG emissions reductions and co-benefits.

We also anticipate that the transportation sector receive a share of funds commensurate to their share of the emissions inventory and expected reductions.

Rail Modernization – “As part of the investments to support the high-speed rail system, regional commuter and urban rail systems are being upgraded and expanded to provide connectivity to the future high-speed rail system, as well as shared-use investments that high-speed rail will ultimately access ...” (SPU Transportation FGWP, p. 12)

Comment: *SCAG worked closely with the California High Speed Rail (HSR) Authority and transit providers to develop the Southern California Memorandum of Understanding (MOU) to fund upgrades to regional commuter and urban rail systems. These regional connectivity projects will strengthen and improve existing rail networks in the near term and yield early and demonstrable mobility benefits in Southern California, while enhancing the HSR system’s utility by providing seamless connections with local and regional rail systems. Making these early investments in Southern California provides the opportunity for the Authority to meet many of its goals, objectives, and mandates in advance of full implementation of the statewide HSR system. The SCAG region’s top priority MOU project, the Southern California Regional Interconnector Project, is estimated to reduce GHG emissions at Los Angeles Union Station by 44% and improve operational efficiencies. Projects like this represent the value that rail modernization brings to the state and region. Funding and implementing these MOU investment strategies in an expeditious manner should continue to be a high priority for the State.*

Freight System Planning – “A parallel effort to SB 375 needs to reside in the freight sector, with its highly complex international logistics system and incredibly diverse set of stakeholder groups...The Sustainable Freight Initiative is a broad, multi-decade effort to develop, fund, and implement the changes necessary to achieve a sustainable freight system...The 2014 Sustainable Freight Strategy is a concentrated, one-year effort to produce a document developed in the context of the broader Initiative and represents the next milestone in defining what is necessary to move California toward a sustainable freight system.”

“ARB will develop principles and criteria that seek to establish air quality and climate benefits as equal to established transportation/mobility metrics in determining the priority of freight-related transportation projects and recommend inclusion of these principles and criteria in the 2014 Freight Mobility Plan. ARB is participating on the California Freight Advisory Committee and will coordinate with Caltrans staff to reflect the outcome of this effort in the California Freight Mobility Plan.”

“Moreover, the Strategy process provides the opportunity to begin evaluating the feasibility of a systemwide efficiency metric(s) that could track upstream and downstream impacts of implemented emission reduction and efficiency strategies. The metric could be used to set targets, prioritize funding, evaluate projects, evaluate programs, and gauge performance or progress across modes. To complement a metric, ARB will seek advice on actions that government could take to support efficiency improvements. ARB will also begin efforts to define criteria and principles for new and expanded freight infrastructure projects as a tool for local land use decision makers and community residents.” (SPU pp. 59 -62)

Comment: *Southern California is one the nation’s premier international gateway, with the nation’s largest port complex, a large regional consumer market, and a vast supply of warehouse and distribution facilities. In 2010, maritime and air cargo valued at over \$414 billion moved through the region and another \$10 billion moved through the region’s international border crossings. Comprehensive efforts have been taken by various stakeholders in Southern California to gain better understanding of the freight movement system, including how to improve system efficiencies and capacity while protecting the health of residents and the environment. This work includes, but is not limited to, SCAG’s Comprehensive Regional Goods Movement Plan and Implementation Strategy and the Southern California Multi-County Goods Movement Action Plan, the formation of the Southern California National Freight Gateway Collaboration, Coalition for America’s Gateways and Trade Corridors, and the Los Angeles Countywide Zero-Emission Trucks Collaborative, and the efforts that led to the inclusion of a National Freight Network in MAP-21 and the subsequent formation of the California Freight Advisory Committee. We appreciate ARB’s leadership in seeking coordinated planning for an efficient and sustainable statewide freight system, and offer to work with ARB to ensure a comprehensive understanding of the aforementioned work products and associated initiatives. We seek to help inform how ARB’s goals for the freight sector as set forth in the Update and elsewhere can complement these on-going freight efforts. Further, we recommend that any effort to evaluate the feasibility of metrics that “could be used to set targets, prioritize funding, evaluate projects, evaluate programs, and gauge performance...” be a collaborative initiative, working with Caltrans and other public and private industry stakeholders to ensure integrated planning with mutually agreed upon objectives for an efficient freight transportation system.*

Active Transportation – “A major expansion of active transportation (such as biking and walking) and public transit are key to achieving California’s GHG emission reduction goals. Walking, bicycling, as well as using public transit will need to be the modes of choice for a large share of short, urban trips currently taken in personal passenger vehicles. Strategies will need to be implemented so that active transportation and public transit will be as convenient, affordable, safe, and time-efficient as driving. These include the construction of “complete streets”, incentives for people to ride transit, and funding for transit operations that increase ridership.” (SPU Transportation FGWP, p. 22)

Comment: *As acknowledged in the Update, active transportation is increasingly in demand and is necessary to meet ongoing emission reduction targets. While SB 99 consolidates and more strategically directs funding of bicycle and pedestrian infrastructure, the resources available are disproportionate to the demand for and priority of this strategy. We look forward to continued collaboration on integrating active transportation (including first/last mile strategies) into transportation planning and programming, as well increased education for decision-makers and the public on the individual and societal benefits of increased use of this transportation mode.*

TOD/Housing – “As TODs are developed it is important to maintain and enhance affordable housing that provides access to transit and jobs. Infill developments commonly face local resistance, including costly lawsuits. In order to expedite the proliferation of equitable TODs and other infill, it will be necessary to break through common barriers created by federal, State, regional, local, and private sector policies and practices on financing, environmental review, parking, and other issues.” (SPU Transportation FGWP, p. 21)

Comment: *State law requires MPOs to ensure that the SCS and regional housing need assessment (RHNA) are consistent, and that local jurisdictions update their housing elements based on the RHNA allocation (which includes specific allocations for affordable housing). As documented through the latest SCAG RHNA process, there is considerable need for affordable housing in the region.*

As indicated by ARB staff, there are numerous challenges to developing TOD projects and these barriers are due to policies and practices across all levels of government and the private sector. Conversely, there is concern that some TOD projects may lead to gentrification which may reduce the TODs' effectiveness in increasing transit use and decreasing the associated GHG reductions. We agree that breaking the barriers to equitable TOD development requires a collaborative approach inclusive of all stakeholders, public and private. We look forward to working with the State and stakeholders to better understand the dynamics of gentrification and potential displacement, and take proactive actions accordingly.

Role of Local Government – “Local governments and other stakeholders play a large role in helping to develop the transportation and land-use scenarios used in the SCS development process. In addition, local governments are crucial partners for the implementation of the SCSs because land use authority remains squarely within the purview of the local governments. Builders and a host of cross-sector organizations implement the SCSs.” (SPU Transportation FGWP, p. 7)

Comment: *We concur with ARB's assessment that the successful implementation of a SCS relies on the local governments who hold the land use authority. One of the great success stories from the initial round of SCS development was achieving a unanimous approval of the 2012 RTP/SCS by the 84-member SCAG Regional Council. This was accomplished through a multi-year, bottom-up collaborative process with all SCAG stakeholders, including, but not limited to, one-on-one meetings with 175 local jurisdictions, 29 data gathering and planning workshops, six Regional Council and Joint Policy Committee meetings, 30 Policy and Subcommittee meetings, and 40 Technical Committee meetings. While there are of course competing interests among the varied set of stakeholders involved in such an all-encompassing program, reaching consensus on a shared vision is more readily achieved via a transparent, fair, and collaborative process that allows enough time for a back and forth dialogue among all stakeholders.*

To build on the success of SCAG's previous Compass Blueprint efforts which support local governments and to further the policies and strategies of the 2012 RTP/SCS, SCAG enhanced its Sustainability Program with the inclusion of two new components: Active Transportation and the Green Region Initiative. As part of implementing this program, the Regional Council approved to fund seventy-three (73) Sustainability Planning Grant projects in September 2013.

Local and Subregional Climate Action Plans – “While the Scoping Plan encouraged local governments to adopt GHG emission reduction goals consistent with those of statewide targets, many local governments had already initiated their own locally driven climate action efforts...Today, locally driven climate actions continue to increase among local governments. According to a recent survey, roughly 70 percent of California jurisdictions have either completed policies or programs to reduce GHG emissions

or are in the process of adopting them. While many local governments have become leaders in sustainability, there remains significant opportunity for many local governments to take meaningful action.” (SPU p. 124)

Comment: *We applaud ARB’s recognition that local governments are taking on the challenging task of planning for climate change mitigation through a variety of channels. For example, the Update acknowledges the growing number of local Climate Action Plans. These are complex plans; full implementation of plans will only come about with sufficient resources and support. SCAG has actively supported the completion of such plans by planning to fund seven Climate Action Plans or Climate Action Implementation Plans through our Sustainability Grant Program. 30 out of 93 respondents to a SCAG survey are planning for or already have a Climate Action Plan in 2014. Additional State support is needed for these critical planning efforts.*

Green Buildings – “Local governments are helping to reduce GHG emissions as they adopt green building standards that include targets to exceed minimum State building standards for new construction. Over 100 local governments have adopted “beyond code” green building standards.” (SPU p. 91)

A key recommended action is for the State to “Develop a comprehensive GHG emission reduction program for new construction, existing building retrofits, and operation and maintenance of certified green buildings. Program development to be completed by end of 2017 and incorporate the following principles ... Strengthen the Green Building Standards Code with mandatory provisions to reduce GHG emissions by 2017.” (SPU p. 92)

Comment: *As the Update recognizes, over 100 local governments have already gone beyond the current standards, and including the expertise and experience of local governments and developers as implementers of green building codes will be essential to developing achievable codes. It is critical that the State work with local governments and developers in developing the proposal to update the Green Building Standards Code and its mandatory provisions.*

Waste – “Much of what is traditionally considered “waste” can be a resource for other uses. California must take advantage of waste materials to generate energy to power our homes and cars, and to improve our working lands.” (SPU p. ES-7)

“Collaboration with other agencies, districts, and jurisdictions to streamline the permitting process and address conflicting requirements, including cross media issues, will permit a sustainable waste management system to grow in California.” (SPU p. 77)

Comment: *A discussion on the management and use of landfill by-products (e.g. methane) ensued from an ARB staff presentation on the proposed Update to SCAG’s Energy and Environment Policy Committee (April 3, 2014). It is noted that this topic is already documented in the proposed Update and we look forward to continued attention to this issue within the Scoping Plan update process. We commend the State for recognizing the importance of collaboration in the effort to transform the waste sector into a resource for Californians. The Update recognizes the integral role for local governments in together addressing the challenges of the diverting waste, rethinking landfill emissions as an energy resource, and streamlining the permitting process at all levels of government for waste facilities. The goal should be a solution that addresses GHG emissions and the current need for landfill operations. Southern California cities have already begun the hard work of meeting existing waste diversion requirements and will continue to support State goals such as the reduction of organic and recyclable materials in landfills. While continuing to move toward reducing the*

amount of waste generation, local and regional jurisdictions are seeking an efficient process to effectively capture and appropriately use the by-products associated with landfill operations.

Natural and Working Lands - "California is home to approximately half a million acres of wetlands. Within the state there are many different types of wetlands (e.g. freshwater wetlands, salt marshes, freshwater forested and scrub wetlands, etc.), however not all wetlands are created equal in terms of carbon sequestration potential. To prioritize wetlands for possible acquisition or restoration efforts, a number of different factors must be considered. Assessing these factors for the various wetland types will allow us to identify wetland areas with the highest opportunity for climate change mitigation." (SPU Natural and Working Lands FGWP p. 30)

Comment: *The Southern California region is home to some of the state's most precious natural habitats, including wetlands, and many jurisdictions and agencies implement open space conservation programs. We look to partner with the State as it explores the role of habitat conservation and resource management as a carbon sequestration tool.*